



House of Representatives

General Assembly

File No. 549

January Session, 2013

Substitute House Bill No. 6507

House of Representatives, April 17, 2013

The Committee on Education reported through REP. FLEISCHMANN of the 18th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

**AN ACT CONCERNING A SLIDING TUITION SCALE FOR
PRESCHOOL PROGRAMS OFFERED AT INTERDISTRICT MAGNET
SCHOOL PROGRAMS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) For the fiscal year ending
2 June 30, 2015, and each fiscal year thereafter, the Department of
3 Education, in consultation with the Department of Social Services,
4 shall develop a sliding tuition scale based on family income to be used
5 in the calculation of the amount that a regional educational service
6 center operating an interdistrict magnet school offering a preschool
7 program may charge for tuition to the parent or guardian of a child
8 enrolled in such preschool program pursuant to section 10-264l of the
9 general statutes, as amended by this act, or 10-264o of the general
10 statutes, as amended by this act.

11 Sec. 2. Subsection (k) of section 10-264l of the general statutes is
12 repealed and the following is substituted in lieu thereof (*Effective July*

13 1, 2013):

14 [(k) For the fiscal year ending June 30, 2009, any tuition charged to a
15 local or regional board of education by a regional educational service
16 center operating an interdistrict magnet school shall be in an amount
17 equal to at least seventy-five per cent of the difference between (1) the
18 average per pupil expenditure of the magnet school for the prior fiscal
19 year, and (2) the amount of any per pupil state subsidy calculated
20 under subsection (c) of this section plus any revenue from other
21 sources calculated on a per pupil basis. For the fiscal year ending June
22 30, 2010, any tuition charged to a local or regional board of education
23 by a regional educational service center operating an interdistrict
24 magnet school for any student enrolled in such interdistrict magnet
25 school shall be in an amount equal to at least ninety per cent of the
26 difference between (A) the average per pupil expenditure of the
27 magnet school for the prior fiscal year, and (B) the amount of any per
28 pupil state subsidy calculated under subsection (c) of this section plus
29 any revenue from other sources calculated on a per pupil basis.]

30 (k) (1) For the fiscal year ending June 30, [2011] 2014, and each fiscal
31 year thereafter, any tuition charged to a local or regional board of
32 education by a regional educational service center operating an
33 interdistrict magnet school or any tuition charged by the Hartford
34 school district operating the Great Path Academy on behalf of
35 Manchester Community College for any student enrolled [in a
36 preschool program or] in kindergarten to grade twelve, inclusive, in
37 such interdistrict magnet school shall be in an amount equal to the
38 difference between [(i)] (A) the average per pupil expenditure of the
39 magnet school for the prior fiscal year, and [(ii)] (B) the amount of any
40 per pupil state subsidy calculated under subsection (c) of this section
41 plus any revenue from other sources calculated on a per pupil basis. If
42 any such board of education fails to pay such tuition, the
43 commissioner may withhold from such board's town or towns a sum
44 payable under section 10-262i in an amount not to exceed the amount
45 of the unpaid tuition to the magnet school and pay such money to the
46 fiscal agent for the magnet school as a supplementary grant for the

47 operation of the interdistrict magnet school program. In no case shall
48 the sum of such tuitions exceed the difference between [(I)] (i) the total
49 expenditures of the magnet school for the prior fiscal year, and [(II)]
50 (ii) the total per pupil state subsidy calculated under subsection (c) of
51 this section plus any revenue from other sources. The commissioner
52 may conduct a comprehensive financial review of the operating
53 budget of a magnet school to verify such tuition rate.

54 (2) (A) For the fiscal years ending June 30, 2013, and June 30, 2014, a
55 regional educational service center operating an interdistrict magnet
56 school offering a preschool program that is not located in the Sheff
57 region may charge tuition to the Department of Education for a child
58 enrolled in such preschool program in an amount not to exceed an
59 amount equal to the difference between (i) the average per pupil
60 expenditure of the preschool program offered at the magnet school for
61 the prior fiscal year, and (ii) the amount of any per pupil state subsidy
62 calculated under subsection (c) of this section plus any revenue from
63 other sources calculated on a per pupil basis. The commissioner may
64 conduct a comprehensive financial review of the operating budget of
65 any such magnet school charging such tuition to verify such tuition
66 rate. For purposes of this subdivision, "Sheff region" means the school
67 districts for the towns of Avon, Bloomfield, Canton, East Granby, East
68 Hartford, East Windsor, Ellington, Farmington, Glastonbury, Granby,
69 Hartford, Manchester, Newington, Rocky Hill, Simsbury, South
70 Windsor, Suffield, Vernon, West Hartford, Wethersfield, Windsor and
71 Windsor Locks.

72 (B) For the fiscal year ending June 30, 2015, and each fiscal year
73 thereafter, a regional educational service center operating an
74 interdistrict magnet school offering a preschool program that is not
75 located in the Sheff region may charge tuition to the parent or
76 guardian of a child enrolled in such preschool program in an amount
77 that is in accordance with the sliding tuition scale adopted by the State
78 Board of Education pursuant to section 1 of this act. The Department of
79 Education shall be financially responsible for any unpaid portion of
80 the tuition not charged to such parent or guardian under such sliding

81 tuition scale. Such tuition shall not exceed an amount equal to the
82 difference between (i) the average per pupil expenditure of the
83 preschool program offered at the magnet school for the prior fiscal
84 year, and (ii) the amount of any per pupil state subsidy calculated
85 under subsection (c) of this section plus any revenue from other
86 sources calculated on a per pupil basis. The commissioner may
87 conduct a comprehensive financial review of the operating budget of
88 any such magnet school charging such tuition to verify such tuition
89 rate.

90 Sec. 3. Section 10-264o of the general statutes is repealed and the
91 following is substituted in lieu thereof (*Effective July 1, 2013*):

92 (a) Notwithstanding any provision of this chapter, interdistrict
93 magnet schools that begin operations on or after July 1, 2008, pursuant
94 to the 2008 stipulation and order for Milo Sheff, et al. v. William A.
95 O'Neill, et al., as determined by the Commissioner of Education, may
96 operate without district participation agreements and enroll students
97 from any district through a lottery designated by the commissioner.
98 [For the fiscal year ending June 30, 2009, any tuition charged to a local
99 or regional board of education by a regional educational service center
100 operating such an interdistrict magnet school shall be in an amount
101 equal to at least seventy-five per cent of the difference between the
102 estimated per pupil cost less the state magnet grant pursuant to
103 subsection (c) of section 10-264l and any revenue from other sources as
104 determined by the interdistrict magnet school operator. For the fiscal
105 year ending June 30, 2010, any tuition charged to a local or regional
106 board of education by a regional educational service center operating
107 an interdistrict magnet school for any student enrolled in such
108 interdistrict magnet school shall be in an amount equal to at least
109 ninety per cent of the difference between (1) the average per pupil
110 expenditure of the magnet school for the prior fiscal year, and (2) the
111 amount of any per pupil state subsidy calculated under subsection (c)
112 of section 10-264l plus any revenue from other sources calculated on a
113 per pupil basis.]

114 (b) For the fiscal year ending June 30, [2011] 2013, and each fiscal
115 year thereafter, any tuition charged to a local or regional board of
116 education by a regional educational service center operating an
117 interdistrict magnet school that began operations on or after July 1,
118 2008, pursuant to the 2008 stipulation and order for Milo Sheff, et al. v.
119 William A. O'Neill, et al., as determined by the Commissioner of
120 Education for any student enrolled [in a preschool program or] in
121 kindergarten to grade twelve, inclusive, in such interdistrict magnet
122 school shall be in an amount equal to the difference between [(A)] (1)
123 the average per pupil expenditure of the magnet school for the prior
124 fiscal year, and [(B)] (2) the amount of any per pupil state subsidy
125 calculated under subsection (c) of section 10-264~~l~~ plus any revenue
126 from other sources calculated on a per pupil basis. If any such board of
127 education fails to pay such tuition, the commissioner may withhold
128 from such board's town or towns a sum payable under section 10-262i
129 in an amount not to exceed the amount of the unpaid tuition to the
130 magnet school and pay such money to the fiscal agent for the magnet
131 school as a supplementary grant for the operation of the interdistrict
132 magnet school program. In no case shall the sum of such tuitions
133 exceed the difference between [(i)] (A) the total expenditures of the
134 magnet school for the prior fiscal year, and [(ii)] (B) the total per pupil
135 state subsidy calculated under subsection (c) of section 10-264~~l~~ plus
136 any revenue from other sources. The commissioner may conduct a
137 comprehensive review of the operating budget of a magnet school to
138 verify such tuition rate.

139 (c) (1) For the fiscal year ending June 30, 2013, a regional educational
140 service center operating an interdistrict magnet school that began
141 operations on or after July 1, 2008, pursuant to the 2008 stipulation and
142 order for Milo Sheff, et al. v. William A. O'Neill, et al., as determined
143 by the Commissioner of Education, and offering a preschool program
144 shall not charge tuition for a child enrolled in such preschool program.

145 (2) For the fiscal year ending June 30, 2014, a regional educational
146 service center operating an interdistrict magnet school that began
147 operations on or after July 1, 2008, pursuant to the 2008 stipulation and

148 order for Milo Sheff, et al. v. William A. O'Neill, et al., as determined
149 by the Commissioner of Education, and offering a preschool program
150 may charge tuition to the Department of Education for a child enrolled
151 in such preschool program in an amount not to exceed an amount
152 equal to the difference between (A) the average per pupil expenditure
153 of the preschool program offered at the magnet school for the prior
154 fiscal year, and (B) the amount of any per pupil state subsidy
155 calculated under subsection (c) of section 10-264l plus any revenue
156 from other sources calculated on a per pupil basis. The commissioner
157 may conduct a comprehensive review of the operating budget of any
158 such magnet school charging such tuition to verify such tuition rate.

159 (3) For the fiscal year ending June 30, 2015, and each fiscal year
160 thereafter, a regional educational service center operating an
161 interdistrict magnet school that began operations on or after July 1,
162 2008, pursuant to the 2008 stipulation and order for Milo Sheff, et al. v.
163 William A. O'Neill, et al., as determined by the Commissioner of
164 Education, and offering a preschool program may charge tuition to the
165 parent or guardian of a child enrolled in such preschool program in an
166 amount that is in accordance with the sliding tuition scale adopted by
167 the State Board of Education pursuant to section 1 of this act. The
168 Department of Education shall be financially responsible for any
169 unpaid portion of the tuition not charged to such parent or guardian
170 under such sliding tuition scale. Such tuition shall not exceed an
171 amount equal to the difference between (A) the average per pupil
172 expenditure of the preschool program offered at the magnet school for
173 the prior fiscal year, and (B) the amount of any per pupil state subsidy
174 calculated under subsection (c) of section 10-264l plus any revenue
175 from other sources calculated on a per pupil basis. The commissioner
176 may conduct a comprehensive review of the operating budget of any
177 such magnet school charging such tuition to verify such tuition rate.

178 *Sec. 4. (Effective from passage)* Not later than February 1, 2014, the
179 Department of Education shall submit a report, in accordance with the
180 provisions of section 11-4a of the general statutes, to the joint standing
181 committee of the General Assembly having cognizance of matters

182 relating to education on the levels of diversity and integration for each
 183 public school located in the Sheff region. Such report shall include the
 184 number of and percentage of minority students in each such school
 185 and an analysis of how such data relates to the state's efforts in
 186 meeting the goals of the 2008 stipulation and order for Milo Sheff, et al.
 187 v. William A. O'Neill, et al. For purposes of this section, (1) "Sheff
 188 region" means the school districts for the towns of Avon, Bloomfield,
 189 Canton, East Granby, East Hartford, East Windsor, Ellington,
 190 Farmington, Glastonbury, Granby, Hartford, Manchester, Newington,
 191 Rocky Hill, Simsbury, South Windsor, Suffield, Vernon, West
 192 Hartford, Wethersfield, Windsor and Windsor Locks, and (2) "minority
 193 students" means those whose race is defined as other than white, or
 194 whose ethnicity is defined as Hispanic or Latino by the federal Office
 195 of Management and Budget for use by the Bureau of Census of the
 196 United States Department of Commerce.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>July 1, 2013</i>	10-264l(k)
Sec. 3	<i>July 1, 2013</i>	10-264o
Sec. 4	<i>from passage</i>	New section

ED *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 13 \$	FY 14 \$	FY 15 \$
Education, Dept.	GF - Cost	Approximately 1 million	Approximately 4 million	1.7-2.6 million

Municipal Impact:

Municipalities	Effect	FY 13 & 14 \$	FY 15 \$
Various Municipalities	Savings	Approximately 4 million, statewide, each year	Approximately 4 million, statewide

Explanation

The bill alters the way in which regional education service centers (RESCs) that offer preschool programs can charge tuition for preschool students. Currently, RESCs can charge tuition to the district where the student resides. It is estimated that in FY 13 the state will be responsible for covering preschool tuition costs for students outside of the Sheff region, which results in an additional cost to the State Department of Education (SDE) of approximately \$1 million¹. In FY 14 various municipalities would have been charged approximately \$4 million in preschool tuition, which will now be borne by SDE. It is anticipated that in FY 13, SDE will lapse up to \$7.1 million in the magnet school account.

The bill requires that beginning in FY 15, SDE develop and implement a sliding tuition scale based on family income, to be used in

¹ For FY 13 the Capitol Region Education Council has agreed to cover the costs of preschool tuition.

the calculation of the amount that a RESC may charge for their preschool program. As RESCs are not able to begin charging parents until FY 15, SDE will incur a cost of \$4 million in FY 14 to pay for preschool tuition, as the bill does not allow for districts to be charged.

Beginning in FY 15, it is estimated that by charging parents, RESCs could generate between \$1.4 and \$2.3 million state-wide. This is based on FY 13 preschool enrollment of approximately 1,229 students and RESC preschool rates ranging from approximately \$2,900 to \$4,000. The FY 15 cost to the state is based on the difference between the amount of revenue collected from parents, and the total preschool tuition cost of approximately \$4 million. The cost to the state could be higher if parents are unable to pay.

Lastly, the bill requires that SDE submit a report to the Education Committee on the levels of diversity and integration for each public school located in the Sheff region, which is not anticipated to result in a fiscal impact, as SDE has this data readily available.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the tuition rates charged by RESCs and the amount of revenue generated by parents.

OLR Bill Analysis**sHB 6507****AN ACT CONCERNING A SLIDING TUITION SCALE FOR PRESCHOOL PROGRAMS OFFERED AT INTERDISTRICT MAGNET SCHOOL PROGRAMS.****SUMMARY:**

This bill uses a multi-year approach to change the way the state permits preschool tuition charges by interdistrict magnet schools operated by regional education service centers (RESC). Under current law, the RESCs can charge tuition to the district where the student resides. The tuition is the difference between the per-student cost of education at the magnet school and the per-student state grant to the school. By FY 2015, the bill allows the school to charge tuition to the parents of the preschool student on a sliding scale, with the State Department of Education (SDE) paying for whatever the sliding scale does not cover.

It also requires SDE to submit a report to the Education Committee by February 1, 2014 on the levels of diversity and integration for each public school located in the *Sheff* region.

EFFECTIVE DATE: July 1, 2013, except the provisions requiring the creation of the sliding scale tuition for parents and the report by SDE to the Education Committee are upon passage.

SLIDING TUITION SCALE

Under the bill, SDE, in consultation with the Department of Social Services, must annually develop a sliding tuition scale based on family income to calculate the amount that a RESC operating an interdistrict magnet school offering a preschool program may charge for tuition to the parent or guardian of an enrolled child. This sliding scale tuition will be applied to FY 2015 and each following fiscal year.

Multi-Year Tuition Phase-in

The bill uses a multi-year approach to change the way the state permits RESC-operated magnet schools that have preschool programs can charge tuition for the preschool children. Under current law, the RESCs can charge tuition to the district where the student resides.

While the bill has a slightly different phase-in for RESC magnet schools in the *Sheff* region compared with RESC magnets outside the *Sheff* region, the tuition calculation is the same for both. The tuition cannot be more than the difference between (1) the average per-pupil expense for the magnet school and (2) the per-student state grant under law plus any revenue from any other source on a per-student basis. For RESC magnets in the Hartford area, the tuition amount ranged from \$2,900-\$3,800 for the 2011-12 school year.

The *Sheff* region is defined as the Avon, Bloomfield, Canton, East Granby, East Hartford, East Windsor, Ellington, Farmington, Glastonbury, Granby, Hartford, Manchester, Newington, Rocky Hill, Simsbury, South Windsor, Suffield, Vernon, West Hartford, Wethersfield, Windsor and Windsor Locks school districts. This region is the group of towns affected by the *Sheff v. O'Neill* court ruling and stipulation regarding racial desegregation of Hartford and its surrounding towns (see BACKGROUND)

Table 1 below presents the bill's changes to the tuition for magnets outside the *Sheff* region.

Table 1: Parties Responsible for Tuition Outside Sheff Region

	Current Law	Bill	
Non-Sheff RESC Magnet School Preschool Programs	School Districts where student resides	FYs 13 and 14: SDE	FY 15 and each following fiscal year: parent or guardian of the child, with SDE responsible for any amount not covered by parent or guardian due to the sliding scale

Table 2 below presents the bill's changes to the tuition for magnets

inside the Sheff region.

Table 2: Parties Responsible for Tuition in Sheff Region

	Current Law	Bill		
Sheff Region RESC Magnet School Preschool Programs	School Districts where student resides	FY 13: Prohibited from charging tuition	FY 14: SDE	FY 15 and each following fiscal year: parent or guardian of the child, with SDE responsible for any amount not covered by parent or guardian due to the sliding scale

It is unclear how the FY 13 provisions would work considering the provisions take effect in FY 14.

The bill permits the education commissioner to conduct a comprehensive review of the operating budget of any magnet school charging tuition to verify the tuition rate.

The bill removes the ability of the Great Path Academy at Manchester Community College, which is operated by the Hartford School District, to charge preschool tuition. (Great Path currently does not offer preschool.)

SHEFF REPORT

SDE must submit a report, by February 1, 2014, to the Education Committee on the levels of diversity and integration for each public school located in the *Sheff* region. The report must include (1) the number and percentage of minority students in each such school and (2) an analysis of how this data relates to the state's efforts to meet the goals of the 2008 *Sheff* court stipulation and order.

BACKGROUND

Sheff v. O'Neill Court Decision and Settlement

Following the state Supreme Court's 1996 ruling (*Sheff v. O'Neill*) that Hartford students were racially and economically isolated, the state has agreed to a number of steps to reduce racial isolation including the most recent 2008 stipulation. Interdistrict magnet schools

are part of the voluntary desegregation plan. The districts within the *Sheff* region are those primarily involved in desegregation efforts.

COMMITTEE ACTION

Education Committee

Joint Favorable Substitute

Yea 25 Nay 0 (03/28/2013)